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Exporter Guide

Transportation and Logistics Update: Greater Port of St. Petersburg

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Report Highlights:

The Greater Port of St. Petersburg is the primary portal for U.S. agricultural and food products entering the Russian Federation, which consists mostly of containerized consumer ready products. Increasing quantities of U.S. poultry, pork, fish, and fresh fruit cross the threshold into Russia via St. Petersburg. Cargo can be delayed due to customs, sanitary, and phytosanitary regulations, but the Port also is in need of modernization. One of Russia's wealthiest businessmen now holds a majority share of port and such investments are planned.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Moscow ATO [RS4]
[RS]

The Greater Port of St. Petersburg plays a unique role among Russian ports. In 2005, from Jan.-Nov. the port transferred 12 million tons of cargo. The port unloads more than 50 percent of all container shipments to Russia and its container turnover is estimated to have increased by 45 percent in 2005 and will reach the 1 million TEU (TEU is a 20 ft container). This makes it one of the largest ports in the Baltic region and its turnover exceeds the level of the total container traffic at all Finnish ports combined, the next largest. St. Petersburg and Moscow depend on the port, and it accounts for the import of most of the frozen, containerized foods that arrive in Russia. Most sources agree that if Moscow consumes 90 percent of the food imported by Russia, about \$15 billion in 2005, then the vast majority of that food moves through St. Petersburg port.

Throughout 2004 and 2005 Vladimir Lissin, the richest businessman in Russian Federation after Roman Abramovich, started to purchase shares of the Port of St. Petersburg. Currently port's largest shareholder is the financial group of Novolipetskiy Metal Kombinat owned by Mr. Lissin.

Mr. Lissin recently announced plans for the strategic development of the port and will make a \$280 million investment in port infrastructure by 2010. There are plans to construct five specialized terminals: container, refrigerated container, mineral fertilizers, bulk cargo and metals (alumina). Due to rising environmental concerns, coal, oil and oil products, metal and steel pellet shipments are being moved out of the city port to newly-constructed Leningrad Oblast ports further out.

The new container terminal will have the capacity to transship 500,000 20 ft. containers and will become operational by 2008. Other terminals will be able to transfer 1.5 million tons of refrigerated goods and 1.2 million tons of alumina, and 3 million tons of bulk cargo. The refrigerated terminal would have special section for cargo from the United States due to the large volumes of U.S. poultry, fish and fresh fruits, that are the major consignee of the Greater Port of St. Petersburg.

The Port is under new management by the owners, but the previous management team remains in place working on key development projects. The management has expressed interest to visit the ports of the United States to learn about the infrastructure of U.S. container and refrigerated terminals.

More on St. Petersburg and Leningrad Oblast ports and transportation infrastructure will be able from the ATO St. Petersburg office in January 2006. Write the office with questions at agstpetersburg@usda.gov